SWAMI RAMANAND TEERTH MARATHWADA UNIVERSITY, NANDED

SOCIO ECONOMIC IMPACT OF COVID-19 ON MIGRANT HOUSEHOLDS IN MUMBAI METROPOLITAN REGION

A synopsis submitted for Ph.D. (Economics) under the faculty of Humanities of Swami Ramanand Teerth Marathwada University, Nanded.

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1. INTRODUCTION

Present world is crippled with the pandemic Corona Virus Disease (COVID-19) which has created loss to human lives as well as heavy damages to the economies around the world. Most of the countries are observing lockdown, in partial or full, to prevent the spread of this pandemic.

The pandemic has already spread in almost every country of the world which has created panic and there is uncertainty regarding the times to come. World has witnessed many epidemics & pandemics in the past too but perhaps it is the first time in history that most of the countries around the world are observing complete lockdown. Italy, France, Spain, India are some of the countries that have announced & implemented complete lockdown. China, where the genesis of COVID-19 is said to have, too witnessed complete lockdown for more than 3 months before it contained the spread of COVID-19.

People are stranded, manufacturing has been shut, businesses have been incurring losses, employees are uncertain about their future as many jobs are said to disappear due to COVID-19, etc. The picture looks quite grim and serious. The scenario is really scary. The loss to economies around the world is estimated in trillion USD and the global GDP growth is forecast to shrink to around 2.8 % in FY 20-21 (World Economic Forum, 2020). This forecast of World Economic Forum for global GDP growth is the worst scenario after global financial crisis of 2008-09 where the global GDP growth shrink to 1.1 % in 2009.

Maharashtra is the worst affected state with 77,793 plus cases of COVID-19 and it constitutes more than 30% of total COVID-19 cases in India. This has scaled up the tension of state government of Maharashtra. Apart from the loss of human lives, there IS heavy economic loss as most of the migrant and daily workers work in Maharashtra.

The closure of businesses has posed a threat to the survival of these migrant & daily workers. As per media reports, some migrant workers have been reported dead on their way back to hometown from their place of work. Apart from this, migrant workers have also witnessed too many hardships and struggle to reach their hometowns.

To contain the spread of COVID-19, Indian government imposed country wide complete lockdown of 21 days starting from 25th March, 2020. This lockdown closed

everything except essential services. India was able to contain the spread of COVID-19 due to this lockdown but cost India economically as all the economic activities during this period were shut down. The estimated loss to economy due to this 21 days' lockdown is Rs.8 lakh crores. The worst affected sectors are tourism and hospitality, Indian aviation, agriculture & allied sectors, manufacturing, to name a few. This lockdown posed a major threat to daily wage and migrant workers. Earners around 40 to 50 million in India's total workforce of 465 million are migrant workers. The future of these workers is in dark due to this lockdown.

The economy of India witnessed another shock when the Indian government announced the second phase of lockdown on 14th April, 2020. This lockdown was effective from 15th April, 2020 to 3rd May, 2020. However, this lockdown may provide some relief to the economy of India as some of the economic activities have been permitted to operate after fulfilling pre conditions. The third wave of lockdown was imposed on 4th May, 2020 in India. This lockdown was in force till 17th May, 2020. However, India witnessed a spike in the cases of COVID-19 patients during this phase of lockdown.

Fourth and final phase of lockdown in India was May, 2020 to 31st May, 2020. The effective from 18th positive thing in this phase was that economic activities were allowed to operate from 20th May, 2020 and of course with precautionary measures. It also be mentioned here that few states in India have extended lockdown beyond 31st May, 2020 to contain the spread of COVID-19. The Indian government too has imposed a 5th wave of lockdown beginning from 1st June, 2020 for the "containment zones". So, overall Indian economy had been in complete lockdown for more than two months. The economic impact of the lockdown has been innumerable for the Indian economy during the period of lockdown.

The findings of the study reveal that the economic impact of COVID-19 on the world as well as on the Indian economy has been very adverse. Millions of jobs have disappeared, hundreds of business have lost their relevance, tourism, agriculture, hospitality, aviation, manufacturing are some of the sectors worst affected. In India too, the above mentioned sectors are worst affected.

Moreover, millions of migrant workers in India have lost their jobs which have raised a question mark on their future. More than 100 million direct jobs are at risk. Migrant households are in great trouble as their daily survival is becoming difficult.

2. LITERATURE REVIEW

Epidemics and pandemics can have economic impacts far beyond the borders of their source countries and these potential impacts are often amplified by the aspects of the modern world that facilitate the spread of disease. The epidemics and pandemics can also obstruct the growth of an economy by changing the expectations from an economy and by deterring investment, as we are witnessing today in the case of COVID-19.

There have been proven and credible evidence of economic implications of pandemics world over from time to time. In this regard, few significant literature reviews are as follows:

Arndt and Lewis (2001) analyzed the impact of HIV/AIDS pandemic on economy, specifically focusing on manufacturing, construction, equipment sectors of Africa and found that the HIV/AIDS pandemic slowed down the overall economic growth in Africa. It created massive unemployment and adversely hit the construction and equipment sectors of Africa.

Dixon et al. (2002) examined the impact of HIV/AIDS pandemic on the economic development of Africa and found a profound impact of the same on the economy of Africa. The pandemic reduced labour supply & productivity, reduced exports, increased imports across Africa. This pandemic affected Africa so badly that its growth rate of economy went down by 2-4% per year. The devastating impact of HIV/AIDS pandemic can be understood from the fact that it claimed the lives of 3 million people across the world and became the 4th biggest cause of death after heart disease, stroke and acute lower respiratory infection in 2001**.**

McKibbin and Sidorenko (2006) found similar results in their study of pandemic influenza. Pandemic will lead to a fall in the labour force to different degrees in different countries, it will make businesses costlier, shift the preferences of consumers away from exposed sectors and it will make investments in an affected country very difficult as investors will re- evaluate the risk of making investments in such countries **(McKibbin and Sidorenko, 2006).**

Authors predicted that even a mild pandemic can shake the world by forcing global GDP to go down to0.8% and it can claim lives of 1.4 million people world over. If a severe pandemic occurs then it can claim 142.4 million lives and it can cripple the world with an income loss of 12% of GNI worldwide and in some developing countries, this loss would be above 50% of GNI of respective countries **(McKibbin and Sidorenko, 2006).** So, epidemics, pandemics or influenza have a devastating impact on the economy of a country and on world economy along with killing millions.

3. OBJECTIVES OF THE STUDY

With the aim of understanding the socio-economic impact of Covid-19 on migrant households study in MMR, the main objectives of the study are:

3.1 To assess the demographic profile of migrant households of MMR.

3.2 To study the socio economic impact of Covid - 19 on migrant households of MMR.

3.3 To assess the current status of migrant households of MMR

3.4 To study the changes in the lifestyle of migrant households due to Covid-19

3.5 To evaluate the effectiveness of measures adopted by the government on the life of migrant households in MMR.

3.6 To suggest the alternatives to the migrant household to combat the pandemic situation in future.

4. HYPOTHESES OF THE STUDY

The null and alternative hypotheses are formulated for this study is as follows:

H_{01}: The migrant households do not belong to the lower middle income strata of the society with majority of them receiving on daily income sources.

H_{11}: The migrant households belong to the lower middle income strata of the society, with majority of them receiving on daily income source.

H_{02}: Migrant worker are not worst affected by the covid-19 where their socio-economic life have not collapsed significantly.

H_{12}: Migrant workers are worst affected by the Covid-19 where their socio economic life have collapsed significantly.

H_{03}: Government measures are not sufficient to combat the problem in case of migrant households from MMR.

H_{13}: Governmental measures are sufficient to combat the problems in case of migrant households from MMR.

5. RESEARCH QUESTION

5.1 Who are the Migrant Labourers?

5.2 What is the Current status of migrant labourers and migrant households in India?

5.3 What is the socio economic impact of covid-19 on migrant workers in MMR?

5.4 What are the initiatives taken by Government to combat the situation with reference to migrant households?

5.5 Are these initiatives sufficient?

6. NEED FOR THE STUDY

Although till now several studies have been conducted to assess the impact of covid-19 on various segment of population. The most affected one- migrant households are not much studied. Though few research papers are highlighting the issues faced by the migrant households during pandemic situation, the researchers have not come up with firm solution to solve the problem. The present study will not only assess the socio-economic situation of my migrant households during pandemic crisis, but will initiate attempts to improvise on daily activities, so as to stabilize their lives and fight against any such man made or natural crisis in future. The study will aim at providing knowledge about various opportunities that will uplift the socio economic status of the migrant household and bring out overall empowerment. More than relying on government initiatives, the study will highlight steps assess to become self-sufficient and combat any such situation ahead? None of the studies have focus on overall uplift of migrant worker in such position till date. Thus, in line with government's present initiatives, the study is very much needed.

7. RESEARCH METHODOLOGY& DATA SOURCES

7.1 Data Collection:

7.1.1 **Primary Data:** In order to fulfil the objectives set out, a sample study will be undertaken using a well – framed questionnaire, which will be duly filled in by the respondents. Respondents of varying nature will be selected based on the important aspects such as their Age, Educational qualification, Occupation and so forth. A structured questionnaire will be pretested and suitable modifications will be carried out later.

7.1.2 **Secondary Data:** The primary data will be supplemented by enough secondary source data. The secondary data pertaining to the study will be gathered from books, govt reports, magazines, journals, authentic websites, encyclopaedia and by utilising the well –equipped libraries at different places. They will be utilised to get the necessary and the latest information required for the study. Further, number of standard text books will be referred to obtain the pertinent literature on the topic.

7.2 Discussion and Informal Interviews will be carried out.

7.3 Pilot study and Pre- Test: The pilot study will be conducted by circulating the questionnaire to 50 respondents from different places in Mumbai city. Accordingly the questionnaire will be modified to fit in the track of the present study. The finding of the pilot study will enable the researcher to design the study in a better way and to test the hypotheses in an appropriate manner.

7.4 Sample Frame: For the present research study only the migrant households in Mumbai MMR will be taken in consideration. According to the Census of 2017, the total migrant households in MMR are around 78 lakhs. Random sample size selection is not done for determining the sample size. Here the sample size is calculated taking into consideration the confidence level and margin of error. So keeping confidence level to 95% and margin of error at 5% we get the sample size to be studied as 384. It means in the present study total 384 migrant workers in Mumbai Metropolitan Region have to be surveyed to gain the results for the objectives.

7.5 Tools of Analysis: The statistical tools used to carry out the analysis are mean scores, frequencies, percentage, for all the variables used in the study were calculated. The nature of distribution of the variables examined in the study will be assessed from the mean scores given by the sample respondents and ranks will be awarded in order to know their level of significance. At the same time Chi Square test, Multiple Regression Analysis, F – Test and t- Test will be used to analyse and interpret the data to fulfil the objectives and hypotheses testing of the present study.

8. STATEMENT OF THE PROBLEM

People of the world are severely affected by the pandemic situation. Mortality rate has gone high across many developed and developing economics of the world. In the past, the world has seen many different types of pandemics and epidemics spread throughout but for the first time the economies have gone under complete lockdown. As against the war situation, when different countries have fought against each other, now the countries are among together to fight it against the dreadful viruses. Though people of different social economic strata are getting infected by the virus, but the problem lies mainly with lower middle class and lower class migrant households, who do not have enough savings and fixed income source to fight in the lockdown situation. The main purpose of this study is to assess the impact of the present pandemic situation on the migrant of MMR. The migrant households are struggling lot during the pandemic situation because majority of them are the daily wages earner and finding difficult to

get any income source. After the first lockdown in the month of April 2020 people started moving towards their native lands, unemployment prevailed among them. However, later in the month of September they came back and have adopted any source of income earning opportunity, though that was not enough to fail the huge economic loss. However, when the situation seemed to be improved against post February 2021 the downfall started. The present study lays its effort in understanding the socio economic impact of covid-19 on migrant worker in Mumbai MMR. It also will try to focus on alternative measures that came are adopted by MMR to fight against such situation in future. The study will also discloses the status of low measures provided to these migrant households in due course of time.

9. SCOPE OF THE STUDY

The study aims at assessing the socio economic impact of covid-19 on migraine worker in MMR. The total area of Mumbai metropolitan region is 6328 square kilometre. It covers the geographical activities of Municipal Corporation of Greater Mumbai, Ulhasnagar Municipal Corporation, Thane Municipal Corporation, Kalyan Dombivali Municipal Corporation, Mira Bhayandar Municipal Corporation, Bhiwandi Nizampur Municipal Corporation, Nair Municipal Corporation, Vasai Virar city Municipal Corporation, Panvel Municipal Corporation. Migrant worker from all these areas will be taken into consideration. While studying both men and women migrant worker will be studied and resources will be collected from them. The data will be collected on the basis of their experience of the pandemic situation since last one year. Migrant worker working in both organised and unorganised sectors will be taken into consideration.

10. LIMITATION OF THE STUDY

10.1 As the data will be collected from the migrant worker chances of several discrepancies cannot be ruled out.

10.2 Due to covid-19 situation, though the data collection on field would be difficult, what time need to be made to support relevant information collection when the outdoor situation normalise. Thus, chances of delay in data collection would be there.

10.3 It would be difficult to convince migrant labourers to give responses to the questionnaire and make them understand the relevance of the study.

10.4 Ability of migrant workers would rather be difficult as majority of them are again trying to move back to their natives.

11.SCHEME OF CHAPTERIZATION

11.1 Chapter 1 - Introduction

11.2 Chapter 2 - Literature Review

11.3 Chapter 3 - Research Methodology & Conceptual Framework

11.4.Chapter 4 - Theoretical background and contemporary situation of migrant with special reference to MMR

11.5 Chapter 5 –Analysis of socio-economic impact of Covid-19 on migrant households in MMR

11.6 Chapter 6 - Findings, Conclusion & Recommendations

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